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SUMMARY RECORD OF THE 44th MEETING

Chairman: Mr. ZAHID (Morocco)
(Vice-Chairman)

later: Mr. DINU (Romania)
(Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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* Items considered together.

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In the absence of Mr. Dinu (Romania), Mr. Zahid (Morocco), Vice-Chairman, took the Chair.

The meeting was called to order at 10.50 a.m.

AGENDA ITEM 103: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Proposed programme budget outline for the biennium 1994-1995 (A/47/7/Add.9, A/47/16 (Part II) and A/47/358)

Prototype of a new budget format (A/47/7/Add.9 and A/47/16 (Part II); A/C.5/47/3)

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Extrabudgetary resources of the United Nations (A/45/797; A/46/545; A/47/7/Add.9; A/C.5/46/56)

1. Mr. STITT (United Kingdom), speaking on behalf of the European Community and its member States said that budgetary reform depended on participation by Member States throughout the budget-preparation process as a way of promoting consensus on the overall level of expenses and ensuring predictability of Members' contributions. Priority-setting was an important stage in that process; the European Community and its member States endorsed the proposals regarding priorities put forward by the Secretary-General in paragraphs 10 to 12 of his report on the proposed programme budget outline for the biennium 1994-1995 (A/47/358). The Committee for Programme and Coordination (CPC) had recommended further consideration of those proposals in the light of the areas identified in paragraph 12 of resolution 45/253 as priorities under the medium-term plan. However, since the Secretary-General's outline related only to the regular budget, it was logical to review priority claims on regular budget resources at the current stage. The purposes and principles of the Charter should be seen as a coherent whole, and indeed the Secretary-General's proposals reflected his appreciation that the various interrelated United Nations objectives involved must all be given due weight. His latest report on restructuring (A/47/753) had, on the other hand, rightly brought out the growing emphasis on the promotion of human rights as one of the primary objectives and an important component of sustainable development. The United Nations was unique among multilateral organizations in having the capacity to achieve the aims of the relevant major programme, provided that appropriate resources were made available under the regular budget as well.

(Mr. Stitt, United Kingdom)

2. The Secretary-General had proposed a preliminary estimate of $2,410 million at initial 1992-1993 rates for the biennium 1994-1995, while the Advisory Committee on Administrative and Budgetary Questions (ACABQ), using a somewhat different basis for the calculation, had recommended a slightly lower figure without indicating a growth rate in percentage terms. In any case, both the initial appropriation for 1992-1993 and the anticipated revised estimates included elements - unforeseen and extraordinary expenditure and the contingency fund - which the outline excluded. The European Community and its member States supported the CPC request for clarification of the method of calculating real growth and for an ACABQ study. In terms of simplicity and transparency, the new methodology was a clear improvement, but in terms of comparability, further refinement was needed. As in the past, the outline would correspond to only one component, albeit the largest, of the overall level of resources to be approved in the next year for the following biennium. A number of factors could change the growth rate calculated by the Secretary-General, as indicated in the CPC report (A/47/16 (Part II), para. 220) and, since the revised estimates for the biennium 1992-1993 were now to constitute the base, there could be no certainty of the exact level of growth until the end of the current session. The Advisory Committee had consequently continued the practice of updating both the forecast level of the revised estimates and the outline itself.

3. The European Community and its member States had always believed that the level of resources proposed by the Secretary-General should be all-inclusive. If, however, the Secretariat was unable or unwilling to produce a comprehensive estimate by mid-August in off-budget years as agreed, a preliminary figure might just as well be communicated to CPC in time for its regular session, instead of having CPC meet in resumed session to consider the relevant document. In any event, the Community and its member States questioned the justification for increasing the outline by exactly the same amount as the revised estimates, because most additional resource requirements arising in 1993 as a result of action by the General Assembly at its forty-seventh session were specific to 1993 and would not recur in the following biennium. The Community and its member States noted that additional staff requirements for the biennium 1994-1995 would be met through redeployment in the context of the preparation of the proposed programme budget, a process that should take account of programme priorities.

4. Since the outline procedure was still being developed, the Community and its member States were prepared to accept the figure for a stable overall level of resources recommended by the Advisory Committee, provided that others too could do so. That figure would need to be respected, however, once it had been adopted as the basis for the preparation of the programme budget. The Community and its member States would agree to proceed as recommended on the understanding that the methodology would be further reviewed, also in respect of the treatment of unforeseen and extraordinary expenditure, and that the budget proposals themselves would be subject to careful scrutiny, particularly with regard to capital expenditure and vacancy rates. Any proposal for an overall increase in real terms would need to be convincingly justified.

(Mr. Stitt, United Kingdom)

5. On the difficult question of recosting, the previous outline had proved to contain a significant error, on which further explanation by the Secretariat or the Advisory Committee would have been welcome. Currently, only the outline costed at initial 1992-1993 rates could be regarded as authoritative.

6. Given the size of the contingency fund, the European Community and its member States agreed that there was no need to change the existing level of 0.75 per cent of the programme budget. Moreover, it was their position that, once established for a particular biennium, the size of the fund must not be subject to modification, for that would defeat the fund's purpose and would mean, in effect, a return to the old controversial and damaging practice of adding new appropriations without limit to an already approved budget. Any derogation from the new procedures would be contrary to the reform process and would call into question the continued relevance of resolution 41/213.

7. Ms. SJÖLANDER (Sweden), speaking on behalf of the Nordic countries, referred to the prototype of a new budget format submitted by the Secretary-General (A/C.5/47/3) and welcomed the efforts made thus far to achieve simplicity and transparency. Under the new format, the first part of the budget would provide a comprehensive description of its main features and of the implementation of priorities, and would presumably be drafted in effect as a separate document. In the second part of the new budget, care must be taken to establish the needs of programme managers on the one hand and Member States on the other, since overly detailed information might be seen as an invitation to micromanagement by governments. The changes in the budget format were timely in terms of the restructuring of the Secretariat, and the Nordic delegations expected all changes to be duly reflected in the budget for the 1994-1995 biennium.

8. The ad hoc technical seminar held in April 1992 to review the question of the methodology used for the preparation of the programme budget, in which the Nordic countries had participated, had proved useful and, as CPC had recommended, it should be followed by a thorough review of the medium-term plan, which might require even more far-reaching changes.

9. The ideal budget document of the not-too-distant future should include broad references to the current medium-term plan and indicate how a particular budget fitted in with that plan. That would require monitoring and evaluation as a basis for continuous modifications in the budget process.

10. The Nordic countries also welcomed greater transparency on extrabudgetary resources in the new budget format. They had long been proponents of presenting voluntary resources alongside the regular budget resources so that Member States could have a comprehensive view of all resources available for United Nations activities.

AGENDA ITEM 104: PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

Programme budget implications of draft resolution A/C.1/47/L.18 concerning agenda item 61 (l) (A/47/7/Add.11; A/C.5/47/50)

Programme budget implications of draft resolution A/C.1/47/L.2 concerning agenda item 62 (b) (A/47/7/Add.11; A/C.5/47/64)

Programme budget implications of draft resolution A/C.1/47/L.14, as orally revised, concerning agenda item 59 (A/47/7/Add.11; A/C.5/47/65)

11. The CHAIRMAN reported that it had been agreed in informal consultations he had conducted on the programme budget implications of draft resolutions A/C.1/47/L.18, L.2 and L.14 as orally revised that all recommendations in the Secretary-General's respective statements of programme budget implications could be adopted, on the understanding that the exception to the rules on reimbursement of travel and subsistence expenses for government representatives related to the 1993 programme budget only and, pending the conclusion of the general review of that issue, would not constitute a precedent.

12. He suggested that, on that understanding, and on the basis of the statement of programme budget implications (A/C.5/47/50) and the recommendation of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.1/47/L.18, an additional appropriation estimated at $79,500 would be required under section 37 of the programme budget for the biennium 1992-1993, subject to the guidelines for the use and operation of the contingency fund adopted by the General Assembly in resolution 42/211.

13. It was so decided.

14. The CHAIRMAN suggested that, on the understanding referred to earlier, and on the basis of the statement of programme budget implications (A/C.5/47/64) and the recommendation of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.1/47/L.2, an additional appropriation estimated at $203,200 would be required under section 37 of the programme budget for the biennium 1992-1993, subject to the guidelines for the use and operation of the contingency fund adopted by the General Assembly in resolution 42/211.

15. It was so decided.

16. The CHAIRMAN suggested that, on the understanding referred to earlier, and on the basis of the statement of programme budget implications (A/C.5/47/65) and the recommendation of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.1/47/L.14 as orally revised, an additional appropriation estimated at $72,300 would be required under section 37 of the programme

(The Chairman)

budget for the biennium 1992-1993, subject to the guidelines for the use and operation of the contingency fund adopted by the General Assembly in resolution 42/211. The modifications in the approved programme of work outlined in paragraph 6 of document A/C.5/47/65, would also be required.

17. It was so decided.

Programme budget implications of draft resolution A/C.3/47/L.20/Rev.1 concerning agenda item 97 (A/47/7/Add.12; A/C.5/47/55)

18. The CHAIRMAN suggested that, on the basis of the statement of programme budget implications (A/C.5/47/55) and the recommendation of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.3/47/L.20/Rev.1, the Secretary-General would establish an observer mission to be known as the United Nations Observer Mission to Verify the Referendum in Eritrea (UNOVER) under the terms of reference outlined by the Secretary-General in paragraph 4 of document A/C.5/47/55. The Assembly would authorize the Secretary-General to enter into commitments not exceeding $2 million pending receipt of voluntary contributions for that operation. The related commitment would be treated as an advance from the Working Capital Fund, in accordance with financial regulation 6.4, and any supplementary appropriations required would be dealt with in the context of the second performance report.

19. It was so decided.

20. Mr. TEIRLINCK (Belgium) said that the observer mission in question should if possible be funded from the regular budget.

21. Mr. MERIFIELD (Canada), said that the proper procedure for dealing on an ad hoc basis with such a request for an observer mission would have been that proposed by the Secretary-General in paragraph 21 of his statement of programme budget implications.

22. Mr. KELLY (Ireland) said that he concurred with Belgium and Canada.

23. Mr. Dinu (Romania) took the Chair.

24. The CHAIRMAN said that the members of the Committee would proceed to hold informal consultations on agenda item 111.

The meeting was suspended at 11.25 a.m. and resumed at 12.15 p.m.

AGENDA ITEM 111: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued) (A/47/11)

25. Mr. SUZIEDĖLIS (Lithuania) proposed that, since no agreement had been reached during the informal consultations just held on a proposal submitted at the previous meeting, by the representative of Estonia on behalf of his own and other delegations, the Committee should defer consideration of the item.

26. It was so decided.

The meeting rose at 12.25 p.m.